

CARS 2 and RMS Transition Information

The DWD/DHFS random moment sampling (RMS) for IM/W-2 began on January 6, 2003. DWD, DHFS and Wisconsin counties have agreed to process county expenses for Income Maintenance and W-2 using a dual system for the first 3 months of expense reporting. The two systems for reporting are:

- a) For reimbursement purposes, counties will report in CARS for both W-2 and IM programs, as they have done in prior years. Reporting instructions and form for Income Maintenance programs have been provided in Chapter II of the CARS on-line Manual. Use Agency Type 56 for reporting these expenses.
- b) Additionally, counties will report shared and direct costs to DWD and DHFS. Shared costs will be distributed based on the results of the random moment samples. This information will be used to support the claim of federal funds for appropriate programs and to compare the results of the RMS methodology with past practice. The comparison information will be used to identify whether the RMS is working as intended and/or to identify improvements needed. To assist in this analysis, DHFS will use a replica of CARS, identified as CARS 2.

It is very important for all counties to provide all required reports to ensure our ability to compare results. Expenditure reports should be submitted monthly.

For CARS 2 reporting, you must submit the following:

- a) The DWD/DHFS Shared Cost Expenditure Report. This must be submitted to both DHFS and DWD via email. The most up-to-date version of this form can be accessed on the DWD CORE Homepage at <http://www.dwd.state.wi.us/dws/bds/core/>
- b) The DHFS Expenditure Report, Community Aids Reporting System—CARS2 Version, Income Maintenance Programs--Direct Reporting.

Quarterly RMS statistics will be applied to shared costs reported to DHFS prior to being uploaded into CARS. Each month's shared costs will be allocated separately but using the same quarterly statistics. These allocated expenses will then be reported to you and uploaded into CARS 2.

Direct expenditures are those that can be identified to a single program. Direct reported expenses will be processed on a monthly basis. Use Agency Type 56 for this reporting also. Links to instructions and a form for direct expense reporting to CARS 2 are available on the CARS 2 home page. (Click on the Back button on your browser to return to the CARS 2 home page.)

Please remember to report expenses only once—either as direct or shared.

The profile structure used in CARS 2 is significantly different from the past. It is designed to capture the information now available under the RMS cost allocation methodology and to eliminate the manual transfer of overmatch expenditures, thereby speeding up reimbursement. Contract amounts have been calculated for each funding source, taking prior year overmatch experience into account. These contract amounts are

subject to adjustment based on the analysis of RMS results to be done by a combined state/county workgroup.

Links to the Flow Charts are included on the CARS 2 home page to clarify the new structure.

If you have questions about CARS 2 reporting, please contact one of the following:

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